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Executive Registry

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MEMORANDUM FOR THE RECORD

SUBJECT: Purchase of Typewriters from the German Democratic Republic

1. On 8 April 1982 a meeting was held at the Pentagon to discuss the 9 March 1982 DDCI memorandum to GSA concerning the purchase of East German typewriters. The meeting was attended by Lawrence Korb, ASD(MRA&L), John Marcus, OASD(MRA&L); Joseph Kulenguski, GSA/Federal Supply Service; [redacted] DDO/CI Staff; the undersigned; and others.

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2. The result of the meeting was a GSA-OSD agreement to cancel the existing contract for East German "Optima" typewriters and to find a way to avoid communist country suppliers in subsequent contracts. The problem of avoiding communist country suppliers will be simplified if a U.S. supplier can be enticed to bid because "Buy American" policies give U.S. firms a 50% price preference over foreign companies. SCM Corporation, which produces manual typewriters for overseas sale is a possible U.S. supplier. If no U.S. supplier can be found, an OSD policy decision would be required precluding selection of communist country suppliers.

3. Two problem areas were broached during the discussion but not resolved. They are:

- What should be done regarding East German typewriters already purchased over the past two or three years and now in use?
- What other equipment is or might be supplied by communist country suppliers which has security/counterintelligence implications?

4. Military field units are virtually the sole users of the manual typewriters. Cancelling the existing contract and delays in concluding a new contract will cause some problems, particularly for the Marine Corps, but use of reconditioned machines will help bridge the gap.

5. There has apparently been considerable public and Congressional interest in the matter; however, none of the expressions of concern other than the DDCI's provided a substantive basis for rejecting the East German contract. My overall impression was that OSD and GSA were relieved to have a reason to stop buying from the East Germans, even though there are still legal and political difficulties to overcome in implementing the decision reached at the meeting.

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